

# **ULTS Trust Administrative Committee**

## **Meeting Agenda**

December 16, 2002 (Monday)

9:30 - 12:30

505 Van Ness Avenue

Hearing Room C

Teleconference: 877-780-7587 and Passcode of 242672#

Chair: Ken McEldowney

1. Introduction
2. Review and Approval of Minutes (Pages 3-10)
3. Subcommittee Report on CARE/ULTS Outreach (Pages 11-25)
4. Self-Certification and Random Verification
5. SB 1563 (Pages 26-28)
6. Liaison Staff Report
  - a. Marketing Program Report
    - i Interim Marketing Program
    - ii Call Center
    - iii Permanent Marketing Program
  - b. Administrative Report
    - i Status of TD staff support
    - ii Financial Report – monthly report
    - iii Board Membership Nomination (Page 29)
    - iv Fones4All's Petition to Modify D.00-10-028/R.98-09-005 (Page 30)
    - v Insurance
    - vi ULTS Strategic Plan
    - vii Decision/Resolution or Bills
  - c. Contracts Status Report
    - i Richard Heath & Associates – Interim Marketing and Contract
    - ii Richard Heath & Associates – Call Center and Contract
  - d. Audit Contract Status
    - i Compliance Audit

- ii Surcharge Remittance Audit
  - iii Claim Audit
  - iv Financial Audit
- 7. Announcement
- 8. Member Recommended Agenda Items Request
- 9. New & Old Business
- 10. Set Future Meeting Dates and Times
- 11. Public Comments
- 12. Closed Session – Vendor Payments

Meeting Minutes <sup>1</sup>  
of  
Universal Lifeline Telephone Service Trust Administrative Committee (ULTSAC)

**Chair for the meeting:** Mateo Camarillo

**Date:** October 29, 2002

**Location:** Proteus County Regional Office  
Manchester Center  
1901 E Shields, Suite 150  
Fresno

**Member Present:**

Mateo Camarillo (Co-Chair)  
Ana Montes  
Linda Gustafson  
Richard A. Elbrecht  
Fredrick Hesse  
Joel Tolbert (teleconference)  
Lionel Wilson  
Marlene Hebert

**Member Absent:**

Ken McEldowney (Co-Chair)  
Karen Miller  
Nettie Hoge  
Anthony Irving  
Fred Glynn  
Colin Petheram

**Others in Attendance:**

Joe Williams, Richard Heath & Associates (RHA)  
Lynne Kerr, RHA  
Linda Burton, Sierra Telephone  
Rhonda Armstrong, Kerman Telephone  
Harriet Burt, Communications & Public Information Division (CPID) Liaison  
Angela Young, TD Liaison

1. Introduction

Linda called the meeting at 1:15 pm.

Linda B of Sierra Telephone and Rhonda of Kerman Telephone introduced themselves. Rhonda asked if it would be appropriate to ask about the status of ULTS claim payments for the June 2002 period, Although this item is not on the agenda.

Angela indicated that the ULTSAC no longer approves claims for payment since October 1, 2001, the implementation of SB 669. As of this time, no payments for the June 2002 claim period have been made. For questions regarding program payments, interested parties should contact TD.

Joel inquired why the ULTSAC was not informed about this matter. Since the Committee is responsible for submitting an annual budget to the Commission for approval, the Committee

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<sup>1</sup> An audiotape for this meeting can be made available at 505 Van Ness Avenue, San Francisco. Contact person: Angela Young, 415-703-2837 (phone) or [avy@cpuc.ca.gov](mailto:avy@cpuc.ca.gov) (e-mail).

should be kept aware of all issues that might impact the budget development. Linda G. indicated that the Committee might not need to know the specifics of program administration. However, in order to allow the Committee to carry out its responsibilities, TD should periodically provide reports on payment status.

## 2. Review and Approval of Minutes

Mateo's arrival provided a quorum. Lionel motioned approval of the minutes. The motion was seconded by Linda and was unanimously approved.

Joel directed TD to remove agenda item 5.c.i, Valdez Report and Contract, from the agenda since that item is included in item 11, Vendor Payments.

## 3. Subcommittee Report on CARE/ULTS Outreach

Linda G. directed the Committee to pages 8 through 32 of the handouts. Page 8, prepared by Angela, provided background information on the legislative mandate, which requires the Commission to coordinate customer outreach between the CARE and ULTS programs. Pages 9 through 29 were prepared by the LIOB program liaison and Linda G. with input and assistance from Fred H. and Colin. These pages summarize the CARE and ULTS programs from their inception, as well as program outreach efforts. Pages 29 through 32, prepared by Angela, provide a list of Commission orders related to the ULTS program and a program comparison between CARE and ULTS. Linda G. requested members to review these documents for accuracy. These documents will be used as background information for developing customer outreach between the CARE and ULTS programs.

After reviewing the documents, Richard indicated that information included in pages 8 through 32 helps explain these low-income programs and their current outreach efforts. However, before coordination of customer outreach between CARE and ULTS, it is necessary to know the effectiveness of each outreach effort. For example, Richard does not believe bill inserts are an effective means to reach hard-to-reach low-income subscribers due to language, cultural, and/or literacy barriers. Furthermore, bill inserts would not reach low-income households that are not telephone subscribers. Linda G. pointed out that the purpose of the evening workshop [see meeting notice at page 35 of the handouts] is to solicit input from the public on effective means to reach low-income households.

Richard suggested that some of the background information included in pages 8 through 32 should be posted on the Internet, and made accessible by the public and the board members. After discussion, Angela volunteered to develop a web page in the Commission web site for the ULTSAC.

Angela directed the Committee to pages 33 and 34. Page 33 is the letter signed by Mateo requesting the Commission's approval for the establishment of the sub-committee and Page 34 is a letter from the Executive Director approving the establishment of the sub-committee. Angela also pointed out that she developed the letterhead for the ULTSAC and would like the Committee to approve the format. Lionel believes that there should be a statement or the State logo indicating that the ULTSAC is a State committee under the Commission's direction and control. He will seek decision makers' comments before recommending that the Committee adopt the letterhead.

#### 4. Self-Certification and Random Verification

Linda indicated that this is a standing agenda item and there is no report at this time.

#### 5. Liaison Staff Report

##### a. Marketing Program Report

Angela reported that Jack Leutza, Director of TD, has contacted Joe Williams of RHA by phone and informed him that TD is not going forward with the Marketing Phase II contract. Joe explained that Jack informed him that President Lynch has decided to reissue the proposal for bid to comply with the state's contracting rules. Joe then asked for a meeting with President Lynch and Jack volunteered to facilitate the meeting if such meeting is requested.

Subsequently, Joe sent a letter to President Lynch requesting a meeting, but as of this time no response has been received. After discussion, TD is directed to keep the board informed of developments on this matter.

Since it was almost 4:00 pm, Angela recommended that the meeting to be continued to November. After discussion, the Committee decided to continue the meeting to November 15 am in San Diego. This would allow the Committee to attend the joint workshop for public input on coordinating customer outreach between CARE and ULTS in the afternoon in San Diego on the same day.

The meeting was recessed at 4:05 pm.

#### **November 15, 2002**

##### **Member Present:**

Mateo Camarillo (Co-Chair)

Colin Petheram

Linda Gustafson

Fredrick Hesse

Lionel Wilson

Marlene Hebert

##### **Others in Attendance:**

Don Wood, SDG&E

Lisa Trafeli

John Morgan, CPID

Angela Young, TD Liaison

Mateo called the meeting at 9:40 am. A roll call was taken and there is no quorum for this meeting.

John Morgan introduced himself and informed the board that he works as outreach coordinator in the Commission's Public Advisors Office. He made a presentation and distributed printed materials concerning the Commission's current issues, proceedings, and/or programs to various community-based organizations. If the ULTSAC has any brochures and/or printed materials for distribution, his office can be used as an outreach source.

Mateo summarized the LIOB and ULTS subcommittee meeting that took place yesterday [November 14, 2002] from 3:00 pm to 5:00 pm. The purpose of the meeting was to identify

potential outreach synergies between the CARE and ULTS programs. It was a very productive meeting and recommendations are outlined in the 2-page handout [see attachment]. The subcommittees also agreed to reconvene today at 11:30 am after each respective board has a chance to review and vote on the recommendations. Mateo suggested that this matter be discussed after liaison's reports

5.b.i Administrative Report – Status of TD Staff Support

There was no report on this item.

5.b.ii Administrative Report – Financial Report

Angela directed the Committee to page 36 of the meeting package, which is a summary of program payments by claim periods as of October 31, 2002. As demonstrated in the summary, no payments for the June 2002 claim period have been made. The reason is that for fiscal year (FY) 2001-2002, the Legislature approved an appropriation of \$211 million for the ULTS program. \$183 million has been expended thus far. This leaves a balance of approximately \$27 million for FY 01-02. TD estimated that the total outstanding claims and liabilities for FY 01-02 and prior years exceeded \$27 million. Until the appropriation deficient is resolved, no further payments for FY 01-02 will be made.

Colin indicated that this issue was discussed in Assembly Woman (AW) Sarah Reyes' Hearing in Fresno on October 31, 2002. AW Reyes was very concerned regarding this problem and desires a solution to close this gap. Margaret Fell of the California Telephone Association is taking the leadership role and contacted various local telephone companies in an attempt to identify the total outstanding claims for all public programs.

Lionel clarified that the problem lies with the amount appropriated for spending for the ULTS program for FY 01-02. Under State law, no agency or program can spend more than the amount appropriated in the State's budget. FY 01-02 was the first year that the ULTS program is included in the State's budget. Therefore, the appropriation not only covers claims filed since October 1, 2001, it also covers claims for all prior period paid since October 1, 2001. The program has sufficient funds to cover projected claims, but not the spending authority. This is a transitional problem and Lionel is hopeful that it would be resolved.

5.b.iii Administrative Report – Board Membership Nomination

Linda reported that

5.b.iv Administrative Report – Fones4All's Petition to Modify D.00-10-028

No new development on this item.

5.b.v Administrative Report – Insurance

No new development on this item.

5.b.vi Administrative Report – ULTS Strategic Plan

No new development, just a standing item of the agenda.

5.b.vii Administrative Report – Decisions/Resolution or Bills

Angela directed the Committee to page 37 of the handouts, which is a summary of draft Resolution T-16688. This draft resolution, if adopted by the Commission in the December 5, 2002 meeting, would revise the ULTS program budget for FY 02-03 that was adopted in

Resolution T-16561 [October 2001] and would reduce the total budget from \$284 million to \$238 million. Most of the reductions were attributed to a lower projected reimbursement to carriers and the elimination of the interagency cost. The revised budget would not reduce the administrative costs for the ULTSAC.

5.c            Contracts Status Report

Angela reported that President Lynch has met with RHA. TD is now working on the RHA contracts making sure they conform to the state's contracting requirements before submitting the contracts to Department of General Services for approval. Marlene reported that the Call Center contract was also discussed at AW Reyes's October 31 hearing. AW Reyes requested an update from Jack Leutza on February 28, 2003 if the Call Center contract is not implemented by that time.

5.d            Audit Contract Status

No new development on this item.

6.            Announcements

Angela directed the Committee to page 38 of the handouts. She has created a web page at the Commission's web site for the ULTSAC. This page is published except for the line that states "If you want to contact the UTL SAC, you may send your e-mail to: ULTSAC@cpuc.ca.gov." Angela proposes to have an e-mail address for the ULTSAC. The ULTSAC would have a blind distribution list including all committee members and herself. After discussion, the Committee suggested that the TD program liaison be the recipient of e-mail messages. The program liaison would present the messages to the Committee in the regular meetings for response.

Angela also informed the Committee that she would post all future meeting packages on the same web page. In the appointment setup, instead of attaching the package, a link to this web page will be provided.

7.            Member Recommended Agenda Items Request

Linda inquired that if she has a new agenda item for the meeting, how many days in advance does she need to provide the new agenda item to TD. Angela recommends a 12-day advance notice. According to the Open Meeting Act, the agenda needs to be posted on the Daily Calendar 10 days prior to the meeting date. After a brief discussion, the Committee occurs that any new item can be discussed under Agenda Item 8, New and Old Business. Therefore, providing a new agenda item to TD to be included in the agenda may not be necessary.

8.            New & Old Business

No new development on this item.

9.            Set Future Meeting Dates and Times

The next meeting is scheduled for December 16, 2002 (Monday) am.

10.          Public Comments

Lisa inquired whether the Commission has conducted audits on reimbursement claims filed by the telephone companies. Angela indicated that no audits have been conducted for the ULTS program since the Commission took over the administration on October 1, 2001. However, draft Resolution T-16688 [see page 37], if adopted by the Commission, would provide a budget of

\$2.1 million for various types of audits including auditing claims filed by the telephone companies.

After public comments, the Committee continued its discussion on the outreach synergies recommended by the LIOB/ULTS Subcommittees. Fred H. indicated that the subcommittees have given considerable thoughts when developing the recommendations. Since the two programs are so different in terms of the qualification, the available discounts, etc., most of the recommendations are simply tag on to existing outreach programs, e.g. a brief introduction of and/or a referral to the other low-income program. The recommendations are supposedly easy to implement and require minimal additional costs. The key principle of the recommendations is to provide public awareness of the energy and telephone low-income programs.

Since 11:30 is approaching, this meeting was adjourned and reconvened with the LIOB meeting in Salon Room A/B.

## **ATTCHMENT**

### **Recommendations of the LIOB and ULTS Boards Subcommittee on Outreach Synergies for the CARE and ULTS Programs**

Subcommittee Members: Alan Woo, Fred Hesse, Mateo Camarrillo, Yole Whiting, Linda Gustafson

The subcommittee met on November 14, 2002 from 11:00 am to 2:30 pm in San Diego. The subcommittee discussed past, current and future outreach efforts for the CARE and ULTS programs and determined that there are a number of avenues for “companion outreach” for the two programs that will be beneficial in making more potentially eligible customers aware of these important programs.

Subcommittee members agreed that the focus should be on utilizing existing outreach activities for each program, incorporating information on the other program in these efforts. This will provide numerous additional opportunities for each program to be promoted to customers at very minimal, if any, incremental cost. Even though the program eligibility guidelines currently differ somewhat, the customers targeted for outreach efforts for each program are generally the same – low-income and “hard-to-reach” customers (seniors, non-English speaking, rural, disabled). For CARE, the energy utilities undertake a host of outreach measures, most of which provide information on other available programs in addition to CARE. Many of these efforts are in partnerships with local agencies. For ULTS, outreach efforts are pending CPUC approval. This outreach is expected to include the re-establishment of a call center for telephone customers as well as additional outreach activities similar to those currently underway by the energy utilities.

CARE outreach can begin including information on ULTS at any time, once details are worked out. Generally, the energy utilities can include ULTS information in most of their outreach activities. The ULTS Board will need to provide the message, which the subcommittee agreed would be along the lines of “you may also be eligible for a discount on your telephone bill – please call \_\_\_\_”). The ULTS Board also will need to provide the energy utilities with brochures on ULTS and talking points on the program to give to customers, agencies and utility employees. Following are CARE outreach activities where ULTS information could be provided which the subcommittee recommends be evaluated. Details and mechanics can be worked out by the parties as steps are implemented.

- CARE Application: Add a statement about ULTS to the CARE application.
- Bill Materials: Include the ULTS message in information included in utility bills on CARE.
- Brochures: Add the ULTS message to the energy utilities’ various brochures on their programs and services, including CARE.
- Websites: Add the ULTS message to energy utility websites.

- Media: Include the ULTS message in certain media campaigns for CARE where appropriate, such as in community newspapers, print media, or press releases.
- Presentations: Include information on ULTS in presentations on CARE and other energy programs to community agencies, customers, and other groups.
- Events: Include information on ULTS at community and other events where the energy utilities provide information on CARE.
- Workshops: Include ULTS information in workshops provided to customers and others regarding energy programs.
- Other Programs: Include the ULTS message in other energy program materials (such as energy efficiency programs).
- Agencies: Include ULTS information in partnerships with community and governmental agencies where the energy utilities work to promote CARE and other energy programs.

For ULTS, the details regarding how CARE information is included in outreach efforts will be addressed once a contractor is selected and as a marketing and outreach plan is developed. The subcommittee agreed on the following:

- The ULTS call center could have information on CARE to provide to customers calling the 800 numbers for the telephone program. We also can investigate whether customers can be connected to energy utilities in a similar manner as they will be connected to telephone companies to sign up for the programs. The call center numbers would not be given to customers as the number to call for CARE or energy programs, but these programs would be brought up after the ULTS program is addressed.
- The marketing plan developed for ULTS can include information and messages about CARE. It is expected that the plan will have outreach activities similar to those implemented by the energy utilities and that messages and information about CARE can be included in the same manners as ULTS information is included in CARE outreach.

**JOINT LIOB/ULTS PUBLIC SESSION  
MINUTES  
October 29, 2002  
Fresno City Hall  
2600 Fresno Street  
Fresno, CA**

Public Input Meeting for Targeted Outreach on the CARE Program to Specific Telephone Service Areas

The public meeting of the Joint Universal Lifeline Telephone Service Advisory Committee, and the Low Income Oversight Board was convened at 5:05 P.M. by Tim Dayonot.

Introductions:

Mateo Camarillo, Lionel Wilson, George Sanchez; Tim Dayonot; Ortensia Lopez, Maria Juarez, Paul White, Alan Woo, Yole Whiting, Marlene Hebert (AT&T); Fred Hesse (Verizon); Carl Wood

CPUC staff: Judy Cooper, Harriet Burt, Ivy Walker, Donna Wagoner, Terrie Tannehill, Barbara Morton; Linda Gustafson; Angela Young

Public Members: Yvette Vasquez (SDG&E); Dave Rogers (SDG&E), Duane Larson (PG&E), Mary O'Drain (PG&E); Eddie Jimenez (Proteus, Inc.), Joe Williams (RHA); Rhonda Armstrong (Kerman Telephone Co.), Adrian Carvajal (Catholic Charities); Jack Parkhill (SCE); Linda Burton (Sierra Telephone); Ann Mentis (Latino Issues Forum); William Parker (CAA of San Mateo)

Meeting was co-chaired by Dayonot and Mateo Camarillo; Mr. Camarillo stated the purpose of the joint outreach meeting was in response to Commission Decision, (D) 02-07-033, that ordered the LIOB to hold public meetings to coordinate customer outreach between CARE and ULTS. The Commission Decision ordered the LIOB to report back within 120 days its recommendations developed as a result of the joint meetings. There will be one additional joint meeting in San Diego in November.

Mr. Hesse discussed the distinctions between the old ULTSMB and the new ULTSAC board. Lionel Wilson provided summary descriptions of LECs and CLECs.

Mr. Camarillo stated that ULTS is fully funded. A \$5m cap was established in 1996 based on the preceding two years of carrier expenditures on marketing outreach.

Ms. Lopez requested a clarification concerning the objectives for this meeting. Mr. Camarillo responded that the goal is to determine the commonalities of ULTSAC and LIOB outreach. It may be useful for us to share what we have done, and what has worked, and what you have done, and what has worked.

A number of questions were asked by the meeting attendees, such as: "When do we open the floor for the members of the public's comments?" "Is this the only meeting we will have?", and "Who is meeting on the 14<sup>th</sup> - Subcommittees or the working group?" "Will the full boards meet?"

A staff member of the Energy Division responded that both boards will meet.

Mr. Dayonot stated that there is a desire to include public comments. Logistically we plan to have the public input session in the evening and then the board meeting the following day in the morning. According to Mr. Camarillo, the ULTSMB has been meeting since 1996. In order to increase public attendance, meeting information should have a wider distribution.

Ms. Cooper, a Commission staff member, stated that her unit had contacted 97 CBO's to inform them of the meeting, posted flyers, sent mailers, and posted the notice on the CPUC website.

Mr. Woo suggested that public comments be allowed for next 15 or 20 minutes. Mr. Camarillo recommended that prior to taking public comments, the group should put some items on the table to allow for comments. Mr. Camarillo indicated it makes more sense to identify tasks first then let people comment with a time limit set for the comments. The group discussed topics for 30 minutes, then opened the floor for comments from the public.

The ULTS programs is offered by the telephone carriers including Large, Small, Medium, LECs, and CLECs. Wireless carriers have hurdles to overcome prior to their inclusion in the program.

According to Mr. Wilson, there is an explicit subsidy on all telephone bills. All funds that are collected go into state treasury. This board will prepare a budget for the 2003-2004 FY. The Legislature allocates the funds and the Commission sets the surcharge and notices the carriers. Ms Whiting noted that the energy subsidy is separate now; there is a surcharge for electric, and one for gas under the PGC. The electric funds remain with each utility; while the gas funds use a different procedure.

Lionel Wilson provided brief history of deregulation and basic telephone service. With deregulation in 1996, the ULTSMB was established to conduct neutral and unbranded marketing/outreach. The question remains how can we best serve the customers that need the ULTS program? Some basic commonalities exist between the ULTSAC and LIOB boards such as outreach and marketing. They are attempting to generate marketing/outreach ideas for both boards; ULTSAC wants to re-institute a call center as part of the effort.

Mr. Hesse stated that one problem with doing joint outreach is the form. There could be multiple providers, which may lead to difficulty in providing the services needed by the

consumer because of issues such as language and cultural differences. The concept of single call center with multi-lingual services is very important. There is funding in existing ULTS budget for a call center. The previous call center was like a clearing house providing the customers a place to call and request information on a telephone carrier and/or be transferred to the provider. The call center did not have a customer billing center, it had staff that provided translation services when needed.

The purpose of the call center is to increase enrollment and subscribers for the ULTS program. There are currently two telephone carriers in Fresno. The Commission ordered un-branded outreach; 94% subscribers for telephone service in California. There are various reasons why there are no phones in some households.

The CBO community is more aware now of the type of assistance it can provide consumers. Ms. Whiting, and Mr. Sanchez mentioned how helpful the community outreach programs are in the San Diego area. The ULTS re-certification process is done once a year; second notices are sent out by the phone company.

Ms. Armstrong cautioned that there are other criteria they have to look at before qualifying a customer. A complaint was filed because different criteria is used to qualify customers for the ULTS discount. Also, some zip codes cross service territories.

Judy Cooper stated that statewide workshops were held to explain the functions of the PUC; identified 14 different languages represented in the low-income community they reached and how important it is to provide services in these languages know your targeted areas. Outreach should be done through different counties in order to reach farm workers. Ms. Montes mentioned that LIF has done a lot of this type of outreach.

Mr. Jimenez, of Proteus, indicated his organization, during the past four years, has used various types of outreach including tapping into other programs. Proteus offers many classes, has contracts with several different companies, goes into customer homes to qualify them for refrigerator replacement, conducts surveys and other types of outreach. Contract and cost limitations, however, limit the amount of assistance Proteus can provide.

Mr. Wilson questioned if this type of outreach would help with the ULTS programs. Mr. Jimenez indicated this type of outreach has been successful for Proteus, and explained why this would be useful in ULTSAC outreach. Mr. Parkhill asked how Proteus receives the information to identify where to find the customers. Mr. Jimenez explained that the CBOs knows the low-income community, the geographic areas, and also uses a list provided by PG&E.

Commissioner Wood indicated that costs for phone service differ from energy utility services because the PUC regulates energy utility costs, but not phone service costs. That makes a difference in how the programs are run.

Ms. Mentes explained that grants the CBOs receive are used for community service; the CBOs are accountable for how the funds are spent.

At 6:30 pm the meeting chairs excused themselves to catch a plane. Mr. Parkhill, and Ms. Juarez, acting as co-chairs, facilitated the remainder of the meeting.

A representative from Catholic Charities explained why the translations do not reach all customers. The immigrant population does not always understand what the flyers are saying because when the information is translated literally from English, it loses meaning and becomes unintelligible to the targeted audience. He also mentioned how he works with the immigrants to make them trust and understand why certain information is requested.

Mr. Parker advised that there is a county-wide investment board, with a one stop center that is useful to all customers; he feels it is a good contact place for CBOs, and a tool that could be used by the ULTSAC.

Ms. Sanchez mentioned how word of mouth to elderly parents and others is helpful. Mr. White suggested that a working group be started to brainstorm what was discussed today, to start the working group and get some of the ideas in process. Mr. Wilson stated that was what they expected for the San Diego meeting. Ms. Lopez asked if two of the different groups could work together as a working group; discussion followed with input from Commissioner Wood who suggested working with legal to get this done without going against Bagley-Keene.

The meeting was adjourned at 6:55 p.m.

**Low income Oversight Board (LIOB)**  
**Universal Lifeline Telephone Service Trust Administrative Committee**  
**(ULTSAC)**  
**Public Input Meeting**  
**MEETING MINUTES**  
**November 14, 2002**  
**7:00 PM - 9:00 PM**

Courtyard Marriott – Kearny Mesa  
8651 Spectrum Center Boulevard  
San Diego, California

**I. Call to Order/ Introductions**

The meeting was called to order at 7:07 p.m.

**LIOB Members In Attendance:** Alan Woo, Janine Scancarelli, Tim Dayonot, Maria Juarez, and George Sanchez

**ULTSAC Members In Attendance:** Mateo Camarillo, Linda Gustafson, Fred Hesse, Lionel Wilson, Marlene Herbert, and Colin Petheram

**Public in Attendance:** John Morgan (CPUC); Veronica Mendoza (MAAC Project); Lisa Vandervort (SDSU Foundation WIC Program); Ignacio De La Torre (SBC Pac Bell), Megan Finlay, (Winegard Energy, Inc.), and Dave Rogers (Sempra Utilities)

ULTSAC Chair Camarillo gave a brief summary of the nature of the ULTSAC, which is an advisory board providing advice and recommendations to the Commission on the development, implementation, and administration of the ULTS program. In addition ULTSAC Chair Camarillo presented a brief history of Universal Lifeline Telephone Service Program

LIOB Chair Dayonot presented a brief description of the Low Income Oversight Board, which provides advice to the Commission on low-income energy programs. Chair Dayonot made a brief presentation on the California Alternate Rate for Energy and the Low Income Energy Efficiency Programs.

ULTSAC Chair Camarillo indicated that the two boards are joining the LIOB in exploring outreach synergies between the energy and telecommunication low-income programs

Fred Hesse and Alan Woo summarized the efforts of the boards' meetings that day. Mr. Hesse and Mr. Woo both noted that during the earlier meetings, the boards noted some similarities in outreach offered by both ULTS and the energy low-income assistance programs.

Chair Camarillo then asked for public input with the hope for help in identifying synergies, what languages services need to be provided in, and how to outreach more efficiently.

Charles Bell (Refugee Assistance Program) inquired about what happened to the data that had previously been given, and if there would be a need to start over again.

Chair Camarillo indicated that a proposal has been made to the CPUC to conduct follow-up marketing. Chair Camarillo noted that ideas and comments presented by Refugee Assistance Program and 47 other agencies were summarized in a report and in an RFP, which are currently before the Commission.

Sandra Cordova (MAAC Project) stated her agency has participated in the CARE program, the ULTS program, and is educating the low-income community on various things such as budgeting, energy savings among others. Ms. Cordova noted that the MAAC Project provides services to clients who speak English, Spanish, and Vietnamese; and there is also a small but growing Arabic speaking community to which services are also provided. Ms. Cordova stated that when the agency encounters a customer who speaks a language that it doesn't have resources for, it refers those customers to the utility. Ms. Cordova indicated that to contact hard-to-reach population members such as those in the Indian community, it would help if the agency were given a target area. Ms. Cordova noted that the MAAC Project receives CDBG money, has recovery homes, head start, and others. Ms. Cordova indicated that the agency leverages all its programs, and currently offers low-income households the services they need. Ms. Cordova believes it is very helpful for the low-income clients when MAAC tells them what they need to bring with them to sign them up for the various programs. Ms. Cordova noted that the MAAC project also refers low-income clients to other CBOs in their area to give those agencies an opportunity to help as well.

Ms. Juarez asked if the Arab population is new for the MAAC project, and if the Arab community is considered a hard-to reach population. What sort of outreach does MAAC do?

Ms. Cordova responded that the Arab population is considered hard to reach and MAAC has gained more familiarity with available programs through word of mouth. Ms. Cordova stated that it would be nice to offer more services. Ms. Cordova indicated that each person who qualifies for LIHEAP, MAAC mandates that they enroll in other low-income programs, recertify if they already have CARE (based on their utility bill), or certify, and enroll them. Ms. Cordova stated that MAAC currently also verifies income sources for audit trail purposes; and that their staff is trained to work in different programs.

Lisa Vandervort (WIC) indicated that her agency has the trust factor, provides services in most languages; and holds "train the trainer" classes. Ms. Vandervort noted that WIC is a program offering services to pregnant women, infants and children. Ms.

Vandervort indicated that with more staff and more training, the agency might be able to do more of the outreach that is being proposed.

Mr. Woo stated that having administered refugee programs before, his agency established a strong community network to increase awareness of available services to non-English speaking communities. Mr. Woo indicated that emerging refugee or immigrant groups lacked information about services and programs. Mr. Woo said that this population segment does not realize they are eligible for services. Mr. Woo noted that community groups that serve these populations need seed money to provide outreach and community education services. Mr. Woo also noted that community action agencies that serve the poor also have a variety of programs with established consumer education structures that serve large low-income populations that could be tapped to increase awareness of UTLS, CARE, and LIEE programs. Mr. Woo pointed out that often these underserved populations are reluctant to access services from governmental agencies and rely on community institutions. Also, Mr. Woo noted that they face language and cultural barriers to accessing information and services. Mr. Woo asserts that these families need organizations with the cultural sensitivity and linguistic capacity to bring information and application assistance.

Mr. Bell agreed with that approach, and his organization conducts outreach using three languages to be able to provide services: Arabic, Vietnamese, and East African. Mr. Bell noted that through that coalition, the agency felt that it could reach almost anyone. Mr. Bell indicated that his organization goes to the mosque, to community meetings; and that word of mouth is a very valuable outreach tool. Mr. Bell noted that there are a number of issues that refugees and immigrants are faced with. Mr. Bell said they don't understand the information they receive. Mr. Bell also said that when people in the communities receive a notice on their utility bill, they may not acknowledge it, but when they hear the same information from a local agency that is there to help them, they tend to understand the information more. Mr. Bell suggests that what his organization needs from this board is money. Mr. Bell indicated his agency is confronted with issues that just don't fit the normal bureaucratic structure such as, "I can't be self-sufficient if I can't read what you're sending me or if I'm worried about my wife and children being in another country."

Galwak Deng (AfricaCorps) indicated that word of mouth is very important in gaining acceptance to low-income programs.

Ms. Juarez noted that her agency has heavily concentrated on the Asian population, worked with the churches, talked to the pastors. Ms. Juarez indicated that they had outreach sites; where they had three people who spoke seven different languages. Ms. Juarez indicated her agency gave other agencies seed money for socialization; and was successful in getting land donated in a black neighborhood. Ms. Juarez noted that among her agency's clientele that their confidence level is going to grow, and they'll tell their friends about her agency. Ms. Juarez believes that word of mouth is a critical element when conducting outreach.

Mr. Camarillo stated that the needs of these different groups do not fit the established criteria.

Mr. Camarillo noted that they need socialization and it is best to serve the emerging communities in their native language, to understand their culture.

Eddie Jimenez (Proteus) indicated that his agency conducted a survey, and based on applications received, customers in the central San Joaquin Valley have an annual income of only \$14,000, 77% are Spanish speaking, with an average family size of four. Only 26% have phones. Mr. Jimenez reported that about 25,000 people in Tulare and Fresno counties have been reached through 12 different programs. Mr. Jimenez noted that CBOs have a variety of methods to use: Radio stations, Spanish language newspapers; community events. Mr. Jimenez pointed out that Proteus is established, has a reputation, and the people trust them. Mr. Jimenez indicated that Proteus is teaming with various offices; and they have mobile offices that travel to rural communities. Mr. Jimenez said that Proteus is currently receiving the \$12 capitation fee, and the agency combines services in order to more easily incorporate enrolling people in the CARE program. Mr. Jimenez believes that unless the literature is simplified, and is written in a language the customers can understand, people don't understand it and will throw it away. Mr. Jimenez indicated that If many of the unenrolled customers knew about the CARE program, they would probably sign up for it. Mr. Jimenez believes that the utilities don't always operate their low-income programs year round. Mr. Jimenez said that utilities need to be able to shift their staff during the year to operate the programs year round.

Mr. Wilson reiterated what Mr. Jimenez stated regarding the survey, in that 50% of low-income clients to his agency do not have telephone service. Mr. Wilson noted that if there is a phone in the home, a customer can get more benefits. Mr. Wilson said if there is no home telephone, more has to be done to reach those individuals. Mr. Wilson questioned if anyone takes that extra step to make sure these services are installed?

Mr. Woo stated that when families in his service area seek services they are put in budgeting classes, and taught how to manage their resources which enables them to make better choices. Mr. Woo pointed out that many groups are not aware that multiple families in one home may each qualify for their own phone.

A question was asked of Mr. Bell if his organization was involved in staying on the line when customers came to his agency for help. Mr. Bell responded that his agency would connect with the call center, and wait a long time until someone came on. Mr. Bell noted that his organization tried calling from within the community, and did what they needed to do. Mr. Wilson pointed out that the more they did, the more money they would get, and the customers would get the services they needed. Mr. Bell said that there were difficulties reaching the call center; it often impacted the results since the call center did not always have personnel available to speak to the caller in their native language. Mr. Bell noted that when the call center closed, it impacted people receiving services. Mr. Bell pointed out that the call center was not effective for serving all the

various communities. Mr. Bell indicated that with proper funding, his agency would have better opportunities to reach the communities.

Ms. Hebert indicated that a beneficial feature of the telecom low-income program is toll blocking. Ms. Hebert pointed out that this service prevents problems associated with long distance calls, toll calls, and unexpected charges. Ms. Hebert noted that low-income households need to understand that if they're having difficulty paying the bill, they need to call the phone company to work with them. Ms. Hebert pointed out that her agency helps the consumer understand how to manage their utilities. Ms. Hebert believes that for these immigrant communities, a wise choice would be the purchase of a pre-paid calling card. Ms. Hebert noted that this information is in her agencies brochure. Ms. Hebert indicated that her agency works with the CBOs to get the language and the word out to explain these issues to the communities. Ms. Hebert said the utilities have had difficulty getting the language approved by the PUC. Ms. Hebert said if you want to manage the bill you have to understand the whole utility. Ms. Hebert pointed out there are several CBOs in San Diego working with CBOs in San Francisco (UCAN and LIF).

Mr. Jimenez indicated that in order to conduct outreach for the farm workers, Proteus has more offices in rural areas, and uses Spanish language radio and newspaper ads. Mr. Jimenez said the mobile units give Proteus a lot of visibility; those people who cannot get into the office can link with the mobile units to obtain information about the services available. Mr. Jimenez said Proteus does give promotional items; people tend to listen more when they receive gifts. Mr. Jimenez indicated that If the clients are not there to receive something, they won't sign up on the phone.

Mr. Parkhill commented that there is a need to integrate ULTS in CARE outreach efforts. Mr. Parkhill noted that Auto Enrollment leaves open the issues of hard to reach customers as auto enrollment starts to filter in those customers who are already on other programs. Mr. Parkhill pointed out that Edison takes a holistic approach to increasing CARE participation. Mr. Parkhill indicated that there is no one item that sets Edison apart; believes it is Edison's holistic approach, Edison's association with CBOs, and FBOs. Mr. Parkhill said Edison looks at what's successful and what is not, and tracks outreach events—direct mailers are coded, for example.

Mr. Woo indicated that it is not always about money. Mr. Woo believes that it is often about contact with the community. Mr. Woo said that his community appreciates the utility companies because they can hold them accountable. However, Mr. Woo pointed out that with telecommunications companies, it is difficult to hold them accountable because they are regulated at another level.

Mr. Parkhill further stated that Edison has applications in several languages, and has some in-language advertising. Mr. Parkhill noted that Edison is trying to identify the hard-to-reach areas, and identify the languages in those areas. Mr. Parkhill noted that the PUC requires them to have a postage paid application. Mr. Parkhill said that Edison has used shared mailings, but has not done what Pac Bell has done.

Mr. Parkhill continued by saying the systematic efforts of Edison varies. Edison had a targeted mailing in 2001 for which information exists since there was a source code, however, it is problematic on a community level. Annual solicitation is easy, capitation project is easy. Source codes could be used on applications from a community event, but it becomes problematic at the local level since the utility likes to pre-print the codes.

The communities Edison thinks it is missing are the rural or outlying areas: Kern, Tulare, Kings, Riverside county areas. A multimedia campaign in those areas may be helpful. The language most useful is Spanish. The idea of marketing in-language and in-culture is more important. The CARE application is not negotiable; it must contain certain language. That doesn't mean you can't have an explanation to go along with it. Edison has a list of reasons for rejections: The customer didn't sign the application, didn't include income, or they are already enrolled in the program. If a customer is within six months of recertification, we recertify them. In communities where there is a literacy problem word of mouth is very important. If it were not for radio stations in native languages, there are many hard to reach that would not know about these programs.

A participant wanted to know more about how bundling works. As explained by Mr. Petheram, the Federal "Link Up" program requires initial wiring to be the property owner's responsibility instead of the utility's. That could be a deterrent to low-income customers receiving services. The telephone company is responsible for providing service up to the house. If the household qualifies, we can get them services. Lifeline customers pay about \$10; regular customers pay about \$30.

Meeting adjourned at 9:02 p.m.

**LOW INCOME OVERSIGHT BOARD**  
**MEETING MINUTES**  
**November 15, 2002**  
**10:00 AM - 3:30 PM**

Courtyard Marriott – Kearny Mesa  
8651 Spectrum Center Boulevard  
San Diego, California

**II. Call to Order**

The meeting was called to order at 10:17a.m. by Chair Dayonot. Roll call by Ms. Wagoner: Tim Dayonot, George Sanchez, Alan Woo, Yole Whiting, Janine Scancarelli, Maria Juarez, Paul White. Commissioner Wood arriving necessarily late; Board member Ortensia Lopez was necessarily absent. Agenda approved by consensus.

CPUC Staff Present: Donna Wagoner, Ivy Walker, Terrie Tannehill, Barbara Morton, Angela Young, John Morgan, Lionel Wilson, Linda Gustafson, Jessica Hecht (via teleconference)

Public Present: Jack Parkhill, Jeannie Harrell, Megan Finlay, Arleen Novotney, William Parker, Eddie Jimenez, Yvette Vazquez, Dave Rogers, Don Wood, Colin Petheram, Mateo Camarillo, Marlene Hebert; and Jim Hodges, and Mary O'Drain (via teleconference)

**III. Review and Approval of Minutes**

Call for discussion on the minutes. Alan Woo made the motion to approve the minutes. Comments were called for, and audience member Jimenez asked to have the spelling of his last name corrected from 'Jiminez' to 'Jimenez.' Motion by Chair Dayonot to approve the corrected minutes; Mr. Woo seconded. Minutes from the October 29, 2002 LIOB meeting were approved unanimously by voice vote.

**IV. Status of Rapid Deployment**

Energy Division indicated that the monthly data on the status of the programs isn't received from utilities until the 21<sup>st</sup> of each month. Consequently, Energy Division won't be able to provide the summary of October's information until the December LIOB meeting.

Ms. Scancarelli suggested that Energy Division add a list of Energy Division's responsibilities to the Public Goods Funded Energy Division Low-Income Positions document. Ms. Scancarelli indicated that there might not be a need to continue producing the PGC Funded Positions report on a monthly basis. Ms. Scancarelli recommended providing the information on a quarterly basis.

A general discussion of the PGC report followed, part of which focused on Position 10, which the Energy Division is in the process of filling. Mr. Woo expressed concern about the staffing levels being adequate. Energy Division indicated that between 1989 and 1990, the Energy Division decreased staffing for the low-income programs to one half-time person because the former Low-Income Governing Board was going to administer the programs. When that did not materialize, Energy Division began committing extensive resources to this program area. Even so, some of Energy Division's tasks are on hold in order to accommodate the work for the Board. Energy Division indicated that additional help should be available in the next fiscal year's budget. Mr. White asked if staffing is regional, or just in San Francisco. Energy Division responded that 1-1/2 positions are in Sacramento; all the others are located in San Francisco.

Commissioner Wood was welcomed at 10:57 a.m.

## **V. LIOB Draft Report on CARE/ULTS Outreach Synergies**

### **a. Sub-committee report**

The ULTS AC joined the LIOB from 11:30-12:00 to discuss CARE and ULTS outreach synergies. Ms. Whiting summarized the joint LIOB/ULTS AC subcommittee report. The subcommittee looked at the differences and similarities of the programs, and the wide variety of outreach methodologies. Outreach is different on the telephone side because of the competitiveness of the industry. The subcommittee finds that the outreach for the ULTS program can could be conducted through various vehicles that are in place for CARE. Ms. Whiting suggests utilizing CARE outreach as a first step. Mr. Hesse confirmed the summary given by Ms. Whiting was what the group agreed on.

ORA commented that the public input meeting was very informative, and thought the suggestion of the outreach materials being printed in different languages, and providing help to people that were somewhat illiterate would be useful.

Other parties commented that the information received from the CBOs at the public input sessions was useful, that lack of sufficient funding is a problem that limits the work the CBOs are doing; and there are a lot of issues that need to be addressed but those issues are not insurmountable. Some parties recommend that a good place to start is with recommendations from the board.

Mr. White commented that the joint public input meetings did not have any low-income customers in attendance. Mr. White suggested it is important to have direct public input from low-income people at future meetings. Mr. White said this would help reach out to the communities and find ways to give them the help that they need.

Mr. Hesse commented that a call center similar to what ULTS had would not work the same for energy outreach, but could be of some help.

Call for motion by Chair Dayonot to add the subcommittee's recommendations to the draft LIOB report. Motion carried with Wood abstaining.

Meeting break called for at 12:27 p.m. The meeting reconvened at 12:49 p.m.

## **VI. Response to CPUC Orders**

### **a. Review of CPUC Rulings**

None.

### **b. Discuss pending CPUC Orders and potential LIOB comments on draft orders**

The draft prepared by Ms. Scancarelli for the LIOB members' consideration was read by an Energy Division staff member. Ms. Scancarelli's suggested that her draft be formulated into LIOB comments on the October 28, 2002 Draft Decision On PY2003 Low-Income Energy Efficiency Programs And Budgets. A motion to submit the comments as the LIOB's was made by Mr. Woo. The motion was seconded by Ms. Whiting, and agreed upon by all; Commissioner Wood abstained.

## **VII. Utility Back-Billing**

Subcommittee Report: Mr. White indicated that the subcommittee will need to determine the next steps, to gather data, and to determine if back-billing is an isolated problem, or if it is ongoing. Mr. White said that he spoke to a local PG&E spokesperson on procedures, and the subcommittee will need to take a look at how PG&E handles back billing. Mr. White stated that there are a lot of steps involved in the back-billing process, and there appear to be a number of issues. Mr. White wants to work with Ms. Lopez to develop a framework. Mr. White recommended that the subcommittee may need to do some sampling to determine the extent of the problem. Mr. White asserted that there are a myriad of significant issues that drive the back billing issue. Mr. White continued that field workers may have the authority to disconnect a customer, reconnect them, or leave them disconnected. Mr. White indicated that his understanding of back billing is that a customer applies for an account, and for whatever reason, the utility may not bill the customer for some time. At some point, the utility bills that consumer for a number of months and low-income customers do not have the resources to pay for large back billings.

Mr. Woo stated that back billing practices may differ between utilities. Creating a matrix of those results may help to determine more appropriately what is going on.

## **VIII. New Business and Agenda Planning for Future Meetings**

### **a. Future meeting planning**

Energy Division presented a document/ grid of low-income program projects, tasks, and issues. Chair Dayonot thanked staff for its work on this labor-intensive project. The

Board will prioritize the list of projects at its next meeting. Commissioner Wood suggested adding General Rate Cases to the issues and task list.

Energy Division updated the Board on the website progress, and requested that the board members submit their bios which will be posted on the Board's website (LIOB.org).

Commissioner Wood gave a brief overview of the Women and Minority Business Employment (WMBE) program. Commissioner Wood mentioned that he is a member of two committees of National Association of Regulatory Utility Commissioners (NARUC). One is the Consumer Affairs committee and the second is the Electricity Committee. Commissioner Wood informed the group that he has been elected to chair the Consumer Affairs Committee. Through his membership on these two committees, Commissioner Wood indicated he would be addressing these issues nationally.

A discussion ensued on attendance of low-income people at meetings. Mr. Parker mentioned how the people the program is suppose to help can get to the meetings. Commissioner Wood wondered if the outreach was doing what it should to get the people to the meeting. Mr. Parker thought the board could work with the community outreach programs to select sites where the Board will be meeting.

Mr. Morgan indicated that the problem of getting the low-income people to the meetings may be attributable to financial issues. He suggested assembling a list of specific questions to circulate to potential attendees. Mr Morgan commented that, in the past there were specific times and issues that low-income people were asked to address. He stated that the CBOs have been helpful in dealing with these issues in the past. Participants indicated that it's difficult enough for CBOs to send representatives to the meetings; it's even more difficult for the people they're trying to help get to the meetings.

SoCal Gas and Edison pointed out that they held a joint meeting where they brought in customers to discuss the utility low-income programs. A professional facilitator conducted the meeting, and information gained from the meeting was used to produce brochures. Energy Division offered to provide information from past public participation to the board for their review if they request it.

Concern was expressed about holding a meeting in Redding on December 11, and the need to travel during inclement weather typical during this time of the year. A general discussion followed on suggestions of alternate meeting sites. A motion was made by Dayonot to change the meeting location to Sacramento. The motion was seconded by Woo, and passed unanimously. Commissioner Wood requested that Senator Alarcon be invited to the December meeting. Chair Dayonot will extend an invitation to Senator Alarcon.

Energy Division suggested that the board make dates for future meetings; board members to email their suggestions to staff.

**IX. Meeting Adjourned**

Meeting adjourned at 1:50 p.m.

**BILL NUMBER: SB 1563 CHAPTERED**

**CHAPTER 674**

**FILED WITH SECRETARY OF STATE SEPTEMBER 18, 2002**

An act to amend Section 709 of, and to add and repeal Section 709.3 of, the Public Utilities Code, relating to telecommunications.

SB 1563, Polanco. Telecommunications: services.

Existing law, the Public Utilities Act, sets forth the findings and declarations of the Legislature regarding described policies for telecommunications in California. This bill would include within those policies, assisting in bridging the "digital divide" by encouraging expanded access to state-of-the-art technologies for rural, inner-city, low-income, and disabled Californians, and encouraging fair treatment of consumers through consumer-oriented conduct..

The bill would also require the Public Utilities Commission, not later than April 1, 2003, to convene a proceeding to develop a plan for encouraging the widespread availability and use of advanced communications infrastructure, and would require the proceeding to encourage participation from a broad cross section of the communications industries, including those entities that the commission does not regulate, as well as users and community representatives. The bill would require the commission to encourage participation by community-based organizations, including nonprofit community technology programs, as defined, and libraries.

The bill would require the commission to submit a report to the Governor and the Legislature no later than December 31, 2004, of its findings and recommendations regarding the plan, that identifies factors preventing the ubiquitous availability and use of advanced communications services, and assesses the consequences of and develops strategies for addressing this inadequacy while encouraging the deployment of adequate investment.

The bill would provide that the provisions concerning the commission's convening of a proceeding and the related report would be repealed on January 1, 2005.

This bill would incorporate additional changes to Section 709 to be operative if this bill and SB 1863 are enacted and become effective on or before January 1, 2003, and this bill is enacted last.

**THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:**

**SECTION 1.** Section 709 of the Public Utilities Code is amended to read:

709. The Legislature hereby finds and declares that the policies for telecommunications in California are as follows:

- (a) To continue our universal service commitment by assuring the continued affordability and widespread availability of high-quality telecommunications service to all Californians.
- (b) To encourage the development and deployment of new technologies and the equitable provision of services in a way that efficiently meets consumer need and encourages the ubiquitous availability of a wide choice of state-of-the-art services.
- (c) To assist in bridging the "digital divide" by encouraging expanded access to state-of-the-art technologies for rural, inner-city, low-income, and disabled Californians.
- (d) To promote economic growth, job creation, and the substantial social benefits that will result from the rapid implementation of advanced information and communications technologies by adequate long-term investment in the necessary infrastructure.
- (e) To promote lower prices, broader consumer choice, and avoidance of anticompetitive conduct.
- (f) To remove the barriers to open and competitive markets and promote fair product and price competition in a way that encourages greater efficiency, lower prices, and more consumer choice.
- (g) To encourage fair treatment of consumers through provision of sufficient information for making informed choices, establishment of reasonable service quality standards, and establishment of processes for equitable resolution of billing and service problems.

**SEC. 2.** Section 709 of the Public Utilities Code is amended to read:

709. The Legislature hereby finds and declares that the policies for telecommunications in California are as follows:

(a) To continue our universal service commitment by assuring the continued affordability and widespread availability of high-quality telecommunications services to all Californians.

(b) To focus efforts on providing educational institutions, health care institutions, community-based organizations, and governmental institutions with access to advanced telecommunications services in recognition of their economic and societal impact.

(c) To encourage the development and deployment of new technologies and the equitable provision of services in a way that efficiently meets consumer need and encourages the ubiquitous availability of a wide choice of state-of-the-art services.

(d) To assist in bridging the "digital divide" by encouraging expanded access to state-of-the-art technologies for rural, inner-city, low-income, and disabled Californians.

(e) To promote economic growth, job creation, and the substantial social benefits that will result from the rapid implementation of advanced information and communications technologies by adequate long-term investment in the necessary infrastructure.

(f) To promote lower prices, broader consumer choice, and avoidance of anticompetitive conduct.

(g) To remove the barriers to open and competitive markets and promote fair product and price competition in a way that encourages greater efficiency, lower prices, and more consumer choice.

(h) To encourage fair treatment of consumers through provision of sufficient information for making informed choices, establishment of reasonable service quality standards, and establishment of processes for equitable resolution of billing and service problems.

SEC. 3. Section 709.3 is added to the Public Utilities Code, to read:

709.3. (a) (1) No later than April 1, 2003, the commission shall convene a proceeding to develop a plan for encouraging the widespread availability and use of advanced communications infrastructure. The proceeding shall encourage participation that includes a broad cross section of the communications industries, including those entities that the commission does not regulate, as well as users and community representatives. The commission shall also encourage participation by community-based organizations, including, but not limited to, nonprofit community technology programs and libraries that have demonstrated success in assisting low-income residents in bridging the digital divide.

(2) For the purposes of this section, "nonprofit community technology program" means a community-based nonprofit organization that is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and engages in diffusing technology into local communities and training local communities that have no access to, or have limited access to, the Internet and other technologies.

(b) The mission of the plan is to identify factors preventing the ubiquitous availability and use of advanced communications services, assess the consequences of, and develop strategies for, addressing these factors while encouraging the deployment of adequate investment for advanced communications infrastructure that serves the public good and is consistent with the policies described in Section 709.

(c) The commission shall submit a report of its findings and recommendations to the Governor and Legislature, not later than December 31, 2004.

(d) This section shall remain in effect only until January 1, 2005, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2005, deletes or extends that date.

SEC. 4. Section 2 of this bill incorporates amendments to Section 709 of the Public Utilities Code proposed by both this bill and SB 1863. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2003, (2) each bill amends Section 709 of the Public Utilities Code, and (3) this bill is enacted after SB 1863, in which case Section 1 of this bill shall not become operative.

## ULTS-AC Nominees:

<http://www.cpuc.ca.gov/static/announcements/telecommunications+advisory+nominees+.htm>

|   |  |
|---|--|
| <b>Universal Lifeline Telephone Service Trust</b> | <p>9 members representing the following:</p> <ul style="list-style-type: none"> <li>• A large or mid-size LEC/Alt <ul style="list-style-type: none"> <li>○ Fred Hesse – Verizons – Primary</li> <li>Colin Petheram – SBC Pac Bell – Alt.</li> </ul> </li> <li>• A small LEC/Alt. <ul style="list-style-type: none"> <li>○ Linda Burton – Sierra Telephone – Small LEC – Primary</li> <li>Rhonda Armstrong – Kerman Telephone – Small LEC – Alt</li> </ul> </li> <li>• An IEC, CLEC or wireless carrier/Alt <ul style="list-style-type: none"> <li>○ Marlene Herbert – AT&amp;T – Large CLEC- Primary</li> </ul> </li> <li>• Two consumer Organizations each of who represents a different constituency or one consumer organization and a state agency with universal service expertise/Alts <ul style="list-style-type: none"> <li>○ Richard Elbrech – CA Dept. of Consumer Affairs – Primary</li> <li>Lyle Millage - City of Beaumont – Senior- Alt.</li> </ul> </li> <li>• Three CBOs, each representing a different constituency based on geographic or economic criteria, on language or on other criteria, which reasonably lack of access to basic telephone service/ Alts. <ul style="list-style-type: none"> <li>○ Ana M. Montes Latino Issues Forum – CBO – Primary</li> <li>Jeff Nelder –Charity Cultural- Services- CBO – Alt.</li> <li>○ Mateo Camarillo – Chicano Fed of San Diego Co. – CBO – Primary</li> <li>Ken McEldowney – Consumer Action CBO – Alt.</li> <li>○ Mike A. Gipson – Community Action Board of LA- Primary</li> <li>Rev. John O. Hopkins Truevine Community Outreach – CBO – Alt.</li> </ul> </li> <li>• ORA <ul style="list-style-type: none"> <li>○ Linda Gustafson – ORA – Primary</li> <li>Joel Tolbert – ORA – Alt.</li> </ul> </li> </ul> |
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Draft Decision  
on  
FONES4ALL's Petition to Modify D.00-10-028  
(Mailed on December 2, 2002)

[http://www.cpuc.ca.gov/WORD\\_PDF/COMMENT\\_DECISION/21455.doc](http://www.cpuc.ca.gov/WORD_PDF/COMMENT_DECISION/21455.doc)

- Reject the reimbursement rate structure proposed by FONES4ALL;
- Require TD to provide a progress report on the ULTS marketing contracts within 15 days from the effective of the decision.
- Reject the finder's fee proposal proposed in the Assigned Commissioner's and Assigned Administrative Law Judge's Ruling issued on April 19, 2002;
- Allow competitive local exchange carriers to opt in to receive \$1.85 per customer per month for their reimbursement of incremental operating expenses;
- Transfer the issue of auto-enrollment of CARE customers to ULTS to R.01-08-027, the Low-Income Assistance Program proceeding; and
- Require TD to include Commission's policy on ULTS service disconnection in all marketing and outreach programs and materials.

Comments are due on or before January 2, 2003.